

DEPARTMENT OF INDUSTRIAL RELATIONS

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September 1, 2008

Diana C. Anthony
Manager
Department of Finance
Office of State Audits and Evaluations
300 Capitol Mall, Suite 801
Sacramento, CA 95814

Dear Ms. Anthony:

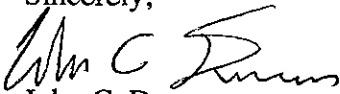
Re: Fiscal Year 2007-08 California Single Audit: Status of Prior Audit Findings

In accordance with your email dated August 5, 2008, enclosed are the Department of Industrial Relations' Status Reports on prior year audit findings. The reference numbers are as follows:

2007-2-1
2007-3-1
2007-8-2
2007-12-4

If you have any questions, please contact Skip Close, Chief, Division of Administration, at 415/703-5064 or at SClose@dir.ca.gov.

Sincerely,


John C. Duncan
Director

Attachment

Instructions: Prepare a status report for each of your findings in the following format. Instructions specific to each category appear in *italic*.

STATUS REPORT

Reference Number: 2007-2-1
Federal Catalog Number: 17.503
Occupational Safety and Health – State Program
Federal Program Title: _____

This information can be obtained from the Single Audit Report findings.

I. STATUS OF FINDING: *(Specify the status of the finding by selecting one of the four descriptions which best applies.)*

- a. Fully Corrected: _____ Date Corrected: _____
- b. Partially Corrected: ☒ Anticipated Correction Date: 09-05-08
- c. Remains Uncorrected/Agree with finding: _____
- d. Remains Uncorrected/Disagree with finding: _____

II. EXPLANATION: *(Depending on the status of your finding, provide additional explanation/information as described below.)*

^a **FULLY CORRECTED:** *If audit findings were fully corrected and the recommendation(s) were implemented, explain what steps were taken to correct the finding. If the finding is no longer valid, please describe the circumstances. If corrective action is significantly different from corrective action previously reported in the fiscal year 2006-07 Single Audit Report, then provide an explanation. If this category is not applicable, please indicate such with N/A.*

^b **PARTIALLY CORRECTED:** : Industrial Relations' personnel transactions staff have been retrained on processing Additional Time Worked Reports (Std 634). The training included instructions for following-up with DIR offices when Std 634's are received without signatures. Procedures were disseminated to personnel transactions staff both verbally in staff meetings and in written format. By September 5, 2008, Attendance Reporting Officers, managers, and supervisors will be sent a reminder, reiterating that all Std 634's must be signed by either each employee's supervisor, or the supervisor's designee, and must be submitted in a timely manner.

In March/April 2008 DOSH spoke with Lavinia Ha, Accountant/Auditor with the U. S. Department of Labor, Occupational Safety & Health Administration, regarding DOSH's obligation for complying with OMB Circular A-87. DOSH was advised that we were not expected to provide periodic certification for employees who work solely on the Federal grant projects. The Department's procedure requiring divisions to submit to the department's Accounting Office "Calstars Home Base Coding Data" forms approved by Division Headquarters to report staff additions, changes, or deletions was sufficient to comply with OMB Circular A-87.

STATUS REPORT

Reference Number: 2007-3-1
Federal Catalog Number: 17.503
Federal Program Title: Occupational Safety and Health-State Program

I. STATUS OF FINDING: *(Specify the status of the finding by selecting one of the four descriptions which best applies.)*

- a. Fully Corrected: ✓ Date Corrected: Aug. 2008
b. Partially Corrected: _____ Anticipated Correction Date: _____
c. Remains Uncorrected/Agree with finding: _____
d. Remains Uncorrected/Disagree with finding: _____

II. EXPLANATION: *(Depending on the status of your finding, provide additional explanation/information as described below.)*

^a FULLY CORRECTED: Reimbursements were requested for direct expenditures incurred based on the F01 report plus indirect costs using the indirect cost rate per agreement between the State and the Federal government. Accounting discontinued rounding up drawdowns in August 2008. If an advance is needed, Accounting Unit shall prepare and submit SF-270, Request for Advance or Reimbursement, to the federal Department of Health and Human Services Division, to be approved by the accounting administrator.

^b PARTIALLY CORRECTED: If audit findings are partially corrected, describe the planned corrective action as well as any partial corrective action taken. If corrective action is significantly different from corrective action previously reported in the fiscal year 2006-07 Single Audit Report, then provide an explanation. If this category is not applicable, please indicate such with N/A.

^c REMAINS UNCORRECTED/AGREE WITH FINDING: If audit findings have not been corrected, describe the planned corrective action. If corrective action is significantly different from corrective action previously reported in the fiscal year 2006-07 Single Audit Report, then provide an explanation. If this category is not applicable, please indicate such with N/A.

^d REMAINS UNCORRECTED/DISAGREE WITH FINDING: If you disagree with the finding, your comments should explain fully the reasons for disagreement. Where disagreement is based on interpretation of law, regulation, or the authority of officials to take or not take action, the response must include the legal basis. If this category is not applicable, please indicate such with N/A.

STATUS REPORT

Reference Number: 2007-8-2
Federal Catalog Number: 17.503
Federal Program Title: Occupational Safety and Health-State Program

I. STATUS OF FINDING: *(Specify the status of the finding by selecting one of the four descriptions which best applies.)*

- a. Fully Corrected: ✓ Date Corrected: January 2008
b. Partially Corrected: _____ Anticipated Correction Date: _____
c. Remains Uncorrected/Agree with finding: _____
d. Remains Uncorrected/Disagree with finding: _____

II. EXPLANATION: *(Depending on the status of your finding, provide additional explanation/information as described below.)*

^a FULLY CORRECTED: DIR strengthened its internal procedures to comply with federal requirements. Cal/OSHA prepared and submitted encumbrance documents to the Accounting office giving enough time to ensure that payments of these obligations would be made within that grant period. Unliquidated obligations after the end of the funding period of the FY 2006-07 federal grant, 12/31/07, were paid with 100% State money. Footnote to this effect was indicated in the Remarks section of SF-269 Financial Status Report for reference.

^b PARTIALLY CORRECTED: *If audit findings are partially corrected, describe the planned corrective action as well as any partial corrective action taken. If corrective action is significantly different from corrective action previously reported in the fiscal year 2006-07 Single Audit Report, then provide an explanation. If this category is not applicable, please indicate such with N/A.*

^c REMAINS UNCORRECTED/AGREE WITH FINDING: *If audit findings have not been corrected, describe the planned corrective action. If corrective action is significantly different from corrective action previously reported in the fiscal year 2006-07 Single Audit Report, then provide an explanation. If this category is not applicable, please indicate such with N/A.*

^d REMAINS UNCORRECTED/DISAGREE WITH FINDING: *If you disagree with the finding, your comments should explain fully the reasons for disagreement. Where disagreement is based on interpretation of law, regulation, or the authority of officials to take or not take action, the response must include the legal basis. If this category is not applicable, please indicate such with N/A.*

STATUS REPORT

Reference Number: 2007-12-4
Federal Catalog Number: 17.503
Federal Program Title: Occupational Safety and Health-State Program

I. STATUS OF FINDING: *(Specify the status of the finding by selecting one of the four descriptions which best applies.)*

- a. Fully Corrected: ✓ Date Corrected: January 2008
- b. Partially Corrected: Anticipated Correction Date:
- c. Remains Uncorrected/Agree with finding:
- d. Remains Uncorrected/Disagree with finding:

II. EXPLANATION: *(Depending on the status of your finding, provide additional explanation/information as described below.)*

^a FULLY CORRECTED: The Federal Grants unit obtained a written documentation from the program prior to posting of the required adjustments. All adjustments were approved by the supervisor and accounting chief.

^b PARTIALLY CORRECTED: If audit findings are partially corrected, describe the planned corrective action as well as any partial corrective action taken. If corrective action is significantly different from corrective action previously reported in the fiscal year 2006-07 Single Audit Report, then provide an explanation. If this category is not applicable, please indicate such with N/A.

^c REMAINS UNCORRECTED/AGREE WITH FINDING: If audit findings have not been corrected, describe the planned corrective action. If corrective action is significantly different from corrective action previously reported in the fiscal year 2006-07 Single Audit Report, then provide an explanation. If this category is not applicable, please indicate such with N/A.

^d REMAINS UNCORRECTED/DISAGREE WITH FINDING: If you disagree with the finding, your comments should explain fully the reasons for disagreement. Where disagreement is based on interpretation of law, regulation, or the authority of officials to take or not take action, the response must include the legal basis. If this category is not applicable, please indicate such with N/A.